Appendix A: BAC ROUND ON THE KETLAVIK BAS: ITUATION Approved For Release 2002/08/21 : CIA-RDP79R00890A000700060025-7

1. The 28 March 1956 Althing resolution

The Althing (parliament) resolution of 28 March 1956 stated that in view of the changed international conditions since the US-icelandic Defense Agreement of 1951, revision of the agreement should immediately be initiated so that the Icelanders themselves would perform the care and maintenance of the defense installations—other than military duties—and that the American defense force be withdrawn. The resolution added that if an agreement were reached concerning these amendments, the Defense Agreement should be terminated in accordance with Article VII thereof.

2. 1951 Defense Agreement

- a. Article VII states:
 - (1) Either Government may at any time, on notification to the other Government, request the Council of the North Atlantic Treaty Organization to review the continued necessity for the facilities and their utilization, and to make recommendations to the two Governments concerning the continuation of this Agreement.
 - (2) If no understanding between the two governments is reached as a result of such request for review within a period of six months from the date of the original request, either Government may at any time thereafter give notice of its intention to terminate the Agreement, and the Agreement shall then cease to

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Approved For Release 2002/08/21 : CIA-RET - PRODESO A000 2000 0025-7

(3) Whenever the contingency provided for in Articles ?
5 and 6 of the Morth Atlantic Treaty shall occur,
the facilities, which will be afforded in
accordance with this Agreement, shall be available
for the same use. While such facilities are not
being used for military purposes, necessary
maistenance work will be performed by Iceland or
Iceland will authorize its performance by the
United States.

On 11 June Iceland presented a formal note to US making for revision of the 1951 defense agreement and suggesting 1 August as the date for negotiations to begin. The six menths period of negotiations provided for thus begins on 1 August. On 19 June Icelandic permanent representative MATO formally requested MATO council to undertake the review provided for above.